



## Massachusetts casino law marks 1-year anniversary, ignites debate over progress



By [Dan Ring, The Republican](#)

on November 23, 2012 at 6:30 AM, updated November 23, 2012 at 6:31 AM

[Print](#)

Brought to you by

One year after the signing of the state's sweeping [casino](#) law, gaming leaders in Massachusetts are making progress in opening casinos, but at a slower pace than many other states.

Top lawmakers from Western Massachusetts and members of the [Massachusetts Gaming Commission](#) said they are pleased with the commission's accomplishments so far in licensing casinos while also setting up a powerful new state agency from scratch.

"We've accomplished a lot," said Stephen P. Crosby, the chairman of the gaming commission, in an interview. "I don't think we could have gone more quickly. I'm proud of what we have done."

In the year since Gov. [Deval Patrick](#) and legislative leaders passed [the law](#), the most surprising developments are the intense contest for a Springfield casino among three national casino companies and the federal rejection of a state contract to give the Wampanoag Tribe of Mashpee exclusive rights to a casino in the southeast part of the state.

It will likely be a while before a casino opens in Springfield or anywhere else.

The five-member gaming commission, created in the law to regulate, license and oversee casinos, released a [four-year strategic plan](#) last week that projected a February 2014 target for issuing the first casino license. It would then take 18 to 30 months, maybe longer, to construct a casino resort, said the blueprint, which Crosby said is flexible.



Stephen Crosby speaks at a gaming forum in Palmer last month.  
Don Treeger / The Republican

"It's the right schedule," Crosby said. "We've been moving quite quickly, given how complex this all is. We're going to do it right and take the time to do it right."



Joseph Wagner

According to an [annual "state of the states" survey](#) by the American Gaming Association, an industry association in Washington, Massachusetts -- one of 24 states to legalize commercial casinos -- is on track to lag most other states in the time it takes from passage of a law to the opening of a commercial casino.

The report said Pennsylvania legalized casinos in 2004 and opened the first casino in 2007; Maryland legalized casinos in 2008 and opened one in 2010; Kansas passed a law in 2007 and a casino opened by 2009 and Ohio's law passed in 2009 and a casino opened this year in Cleveland.

"Massachusetts is taking a more deliberate, slower process than most other states have," said Holly Wetzel, a spokeswoman for the American Gaming Association. "I don't know why they have taken that approach."

Including states with Indian casinos, 40 states have legalized casinos.

Wetzel said she would never say it's a bad idea to take a longer time to open a casino, but it does obviously delay jobs and tax revenues.

Crosby said a slots-only facility could be operating in 2014 in Massachusetts. If that happens, it will have meant that it took three years for Massachusetts to open a casino.

Elaine B. Driscoll, communications director for the gaming commission, said every jurisdiction is unique and subject to a different set of circumstances.

"As a result, it would be very difficult to try to present a true comparison between Massachusetts and other states," she said in a statement. "The commission shares everyone's desire to quickly put people to work, to generate the anticipated revenue and to experience the tourism benefits awaiting us. The commission is moving with a strong sense of urgency coupled with the necessary due diligence to ensure that this is done right."

The Ohio law, for example, is different from Massachusetts in that it designated specific cities for casinos. Kansas has state-owned casinos.

Leaders in Massachusetts are also working to avoid the type of scandals that have shaken the public trust in other states such as Pennsylvania.

The commission is seeking competitive bids for casinos from the Boston area and Western Massachusetts and for the single slots facility.

[MGM Resorts and Penn National Gaming](#) are planning downtown casinos and hotels in



Stanley Rosenberg

Springfield, while [Ameristar Casinos](#) is proposing a casino resort in East Springfield. The winner or winners of the city of Springfield's bidding process would compete for the region's state license with the Mohegan Sun, which is planning a casino in Palmer.

In Boston, competition could be scant. The Suffolk Downs race track is planning a casino, while Rush Street Gaming of Chicago and Seminole Hard Rock might team up for another casino in nearby Everett, according to the Boston Herald. Hard Rock, which had looked in Springfield, this week contacted the gaming commission for a meeting on a possible preliminary bid to the commission.



Kathleen Norbut

Rep. [Joseph F. Wagner](#), a Chicopee Democrat and key author of the casino law, said: "Substantial progress has been made in a year's time. I'm not in any way dis-satisfied where we are in this process one year later."

Wagner said he would prefer the word "deliberate" instead of "slow" to describe the progress of the gaming commission. "If I thought they were being slow, I would be concerned," Wagner said.

Wagner said the commission may be on a slightly longer timeline for opening a casino because it is going to great lengths to be make its process be extremely transparent.

Sen. [Stanley C. Rosenberg](#), an Amherst Democrat, said he is very supportive of the gaming commission.

"In general, there's been a lot of progress," Rosenberg said. "They are pursuing this with the care and attention the legislation and the Legislature intended."

Rosenberg said one possible way to speed the start of casino gambling is to allow a phased opening instead of requiring the entire resort to be constructed before people start playing slots. Rosenberg said the intent of the law was to give the commission flexibility on when casinos can open their doors.

Others said they would like the commission to pick up the pace.

Francis X. Callahan, president of the Massachusetts Building Trades Council, said the commission should be moving more quickly instead of attempting to "reinvent the wheel" on issues such as worker training. He said union members are frustrated and many are still out of work despite the improving economy.

"It's time to get moving on putting this together," Callahan said. "I don't think it should take as long as it has been."

Paul E. Burns, a town councilor in Palmer and supporter of a casino for the town, said the commission should speed up the licensing process for casinos in order to boost the economy and recapture gambling dollars from Connecticut casinos.

Burns said the commission is slowed by attempting to discuss every detail in public and by trying to be too perfect. "They are almost too deliberate in my own opinion," Burns said.

It was a year ago on Nov. 22 that legislators celebrated the signing of the law, which authorizes the gaming commission to permit up to three casino resorts in different regions of the state, including one for Western Massachusetts, one for Boston, one for the Indian tribe and a single, at-large, slots-only facility. The signing at the Statehouse came after 20 years of debate over casinos.

On top of licensing casinos, gaming commissioners are launching a new independent state agency. So far, 17 employees have been hired including the five commissioners. The governor and other appointing authorities did not name the final two commissioners until the end of March.

The commission, operating with \$15 million in state startup money that is to be reimbursed with casino licensing fees, expects to eventually hire about 179 employees. The commission's budget is projected to climb to \$20.6 million by 2016, with \$17.4 million in salaries including \$4.1 million for state police.

By the end of this fiscal year on June 30, the commission estimates it will have spent \$7.3 million including \$26,000 in out of state travel, \$25,000 on public education forms, \$2.3 million in salaries and benefits, \$35,000 for a brand and logo, about \$2.5 million in consultants and outside lawyers and \$100,000 in "open meeting" costs, possibly including streaming video, according to the strategic plan.

In an e-mail to The Republican, [Kathleen C. Norbut](#), of Monson, a longtime opponent of casinos, said legislators should have established a watchdog group or oversight for the gaming commission.

"The question that should be asked is, why did the Legislature and Governor craft a bill that essentially "washed" them from oversight and accountability?," said Norbut.

Chicopee Rep. Wagner said legislators can hold oversight hearings if needed. Wagner said that in approving the law, legislators sought to separate politics from the process of bringing casinos on line. "We didn't want politics involved in the regulation of this industry," he said.

Applicants for casino resorts are expected to submit final bids to the commission at the end of next year with the award of a license in early 2014.

Crosby said the slots facility could be licensed early next fall and up and running six months later. The Plainridge Racecourse harness horse track in Plainville is the sole bidder for the slots license so far.

"Right now, we only know of one applicant," Crosby said. "And we don't know whether we would award it if we only had one applicant, but if their background check went quickly and there was only one applicant, we could make a decision early next fall. If it's the one that is on the table today and if they want it, they are up and running and ready to go."

Bruce Stebbins, a commission member and former Springfield city councilor, said the commission is "absolutely" moving fast enough.

"I think we are doing really well in terms of timing," Stebbins said. "We have applications out the door. We have

three companies that have stepped up with their application fee. We have a deadline for the first round of applications. Those are some pretty important targets that we met."

MGM Resorts, Suffolk and Plainridge have paid the \$400,000 nonrefundable fee.

Looking back, Kevin E. Kennedy, the chief development officer for Springfield, said the city made the right decision a year ago when it decided to seek more casino proposals after Ameristar unveiled its plan about 10 months before MGM and Penn National. Kennedy said competition upped the ante, with all three casino proposals now estimated to be about \$900 million projects, well more than the minimum \$500 million required by the law.

Springfield is running its [own bidding process](#) that is more streamlined than the [commission's effort](#) and is going faster.

By Jan. 25, the city is tentatively planning to choose a company or companies to negotiate an agreement or agreements that could be put before voters, possibly next November.

Communities can't hold votes until the commission completes its background investigations of companies.

"You have to have a lot of patience to get the best deal possible," Kennedy said.

Legislators approved the law to take business from casinos or race track casinos in Connecticut, Maine, New York and Rhode Island, create thousands of construction and permanent union jobs and tens of millions of dollars in tax revenues for government.

Crosby said the commission is being relatively conservative in estimating it will take nine months to rule on their financial and ethical background checks, the first of a two-part bidding process for casinos.

Bids for the background investigations, along with the \$400,000 nonrefundable fee, are due Jan. 15.

If companies pass the first phase, they will be allowed to file specific development plans for the projects they are proposing. Applicants are expected to submit those bids by the end of next year.

The future is unclear for the Wampanoag, who have committed to negotiate with the governor on a revised casino contract, which would be sent back to the U.S. Department of Interior.

## Sponsored Links

## Related Stories



[Ameristar Casinos official: Company will meet Springfield deadline to submit Massachusetts application fee](#)



[In high stakes Springfield contest, casino giants turn up the heat on each other](#)

© masslive.com. All rights reserved.